



## FINANCIAL NEWS AND COMMENT

Further Unsettlement of Market Under Speculative Pressure.

### CANADIAN ISSUES LEAD

Most of the matters offered overnight for Wall Street consideration yesterday were not calculated to make for stock market indifference to speculative pressure. The larger concerns of politics, domestic and international, which were urged on attention were hardly a positive influence in the Stock Exchange activities, but tended to keep sentiment cautious. Germany's agreement in the Louisiana case is so belated that the prospect of it provoked no enthusiasm, and as for other matters in the category of maritime warfare, the financial community has been disgusted by the evidence of fierce wavering at Washington between contradictory courses. Steps taken by the British Government for the further mobilization of economic forces in the United Kingdom emphasized the terrific strain of the war, and the latest accounting from the Wilson Administration's record in foreign policy advertised the serious character of the national political campaign which is impending.

All of these things made a Wall Street setting which could have continued in a state of significant weakness than the stock market displayed. The share list continued to exhibit an unprotected vulnerability to bearish attack, but, left very much to itself by financial interests, it nevertheless offered stubborn underlying resistance to efforts to break it down. The market's speculators for the decline enjoyed the assistance of sharp weakness in a new quarter, namely, in the Canadian stocks subject to the increased exactations of taxation to support the Dominion's war budget. Yet professional selling and the continuation of scattered liquidations from time to time did not produce results not in general producing any very significant effect on quoted values, although the market was rather heavy all day and utterly without vigorous rallying power.

Real speculative factors were provided primarily by the technical position of stocks favoring bearish endeavor and then by the specific incentive for such enterprise supplied by the publication of Canada's reported taxation programme. The confirmation of one-quarter of the net earnings of corporations doing business in the Dominion were to be taxed at 10 per cent, necessary to return 7 per cent on paid up capital would not necessarily be overburdensome. Moreover, it is hardly to be supposed that nobody had any knowledge of such a programme until its publication.

However, the Canadian stocks broke severely under heavy sales and helped to confirm the judgment of the market. Later in the day the traders who were working for lower prices made much of the burning of munition ships in Brooklyn as an argument for uneasiness and altogether constructive interests in the market had rather a difficult time of it. Buils were possibly more than anticipated further in more or less deprecating fashion from the new maximums of advance reached only a few days ago.

One of the things which the current stock market unquestionable denotes is the conservatism of finance, an interesting illustration of which is afforded by the annual report of the Mackay companies. It is shown that earnings last year would amply permit an extra dividend, but the decision has been reached to limit disbursements to the regular payments which have been established, pending a more definite development of the situation, both before and after the war. Rapid and abnormal increases in earnings have already resulted in increased dividend distributions and there is every reason to expect that the expansion of values will continue to be stimulated in this way, but the attitude of the Mackay companies is evidently of commendable policy which has come to prevail in corporate and financial circles.

A wise conservation of resources is being practised which is not incompatible with such enlargement of dividends as may seem fit and proper, but is expressed more clearly in a manifest purpose to take advantage of opportunities to acquire working capital against the contingencies of the future. As circumstances develop funds so gathered will be available for distribution to stockholders if warranted and in the meantime the equities of shareholders are enhanced by the process of accumulating gains.

The Wall Street seems to be passing through a stage of stock market uncertainty which is more or less seasonable and familiar in February, but general business is forging ahead. The weekly review of the iron and steel trade tell only of the persistent growth of forward business and undiminished strength of prices.

### THE SUGAR MARKET.

**Prices Hold Firm on Small Volume of Business.**

A very firm undertone prevailed in the sugar market and while the volume of business was small, prices were fully maintained and there was a decided rise of 2 to 3 cents per pound in the market. There was a general reaction in point of price, but the point of view of the market was that operators were showing a willingness to prompt shipment, but offerings were large and sellers were not inclined to make large sales. The market was very firm with prices unchanged at 6.00c for fine granulated sugar.

The market for sugar futures was moderately active, sales amounting to 6,500 bags, but after a slight reduction in price, there was a general reaction in point taking and final quotations were a point lower than the previous day. It was said that operators were showing a willingness to prompt shipment, but offerings were large and sellers were not inclined to make large sales. The market was very firm with prices unchanged at 6.00c for fine granulated sugar.

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**RAILWAY EQUIPMENT BONDS.**

The following are quoted on a percentage basis:

Name. Maturity Rate Bid Asked

Atlanta Coal Co. 1918-23 4.4% 4.25 4.00

Buf Rock & Pitts. 1918-30 4.5% 4.35 4.20

Canadian Pacific 1918-40 4% 4.45 4.20

Ches. & Ohio. 1918-24 4% 4.35 4.20

Chi. & Eastern R. 1918-25 5% 4.60 3.00

Chi. Rock Isl. & Pac. 1918-27 5.25 4.95

Chi. St. L. & G. 1918-28 5% 4.30 4.15

Chi. St. L. & St. L. 1918-29 5% 4.30 4.00

Del. & Hudson. 1918-22 4% 4.25 4.00

Eric Railroad. 1918-23 4.5% 4.40 4.20

Illinoian Central. 1918-23 4.5% 4.35 4.20

Louis. & Nash. 1918-23 4.5% 4.25 4.00

Long. & Western. 1918-23 4.5% 4.35 4.20

Mary. & N. H. 1918-23 4.5% 4.35 4.20

N.Y. Central Lines. 1918-28 4.4% 4.10 3.85

Northern Western. 1918-23 4% 4.35 4.15

St. Louis & San Fran. 1918-22 3% 3.75 3.50

Seaboard Air Line. 1918-23 5% 4.55 4.25

South. Pacific. 1918-23 4.5% 4.35 4.20

Southern Railwy. 1918-24 4.5% 4.45 4.20

Spec. Clos. Price Bid

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